

Agency Activity Inventory by Agency

Appropriation Period: 2005-07 Activity Version: Governor's 2005-07 Budget - New Law

Agency: 116 - State Lottery Commission

Administration

The Lottery's purpose is to generate profits from sales to benefit state-funded efforts. All activities are funded from product sales. The Administration activity includes those services that support sales, such as executive guidance, accounting, budgeting, internal audit, legal counsel, facility maintenance, purchasing, information technology, security, and human resources.

Statewide Result Area: Improve the ability of State Government to achieve its results efficiently and effectively

Category: State financial resources and services

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$5,459,000	\$0	\$5,459,000	48.5	\$5,558,000	\$0	\$5,558,000	48.5

Expected Results:

Lottery employees that are strongly supported as they generate sales. For the 2005-07 Biennium, the Lottery projects sales of \$930 million and profits of \$203 million. The distribution of profits are as follows: \$180 million to the Education Construction Account, \$16.1 million to the Stadium and Exhibition Center, and \$8.9 million to King County (Safeco Field).

Outcome Measure: Provide lottery games that will meet education fund projections as reported to the Revenue Forecast Council

FY02 Actual	FY03 Actual	FY04 Actual	FY05 Estimate	FY06 Proposed	FY07 Proposed
\$83.43	\$86.79	\$106	\$95.42	\$92.72	\$87.3

Prizes

The Prize activity consists of the payments made to Lottery game winners.

Statewide Result Area: Improve the ability of State Government to achieve its results efficiently and effectively

Category: State financial resources and services

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$297,710,000	\$0	\$297,710,000	0.0	\$293,210,000	\$0	\$293,210,000	0.0

Expected Results:

Lottery customers who enjoy playing Lottery games, who are convinced of the organization's integrity, and who want to play again. This activity also contributes to the revenue measure listed with the Administration activity.

Commissions

The Commissions activity includes payments to approximately 3500 retailers who sell Lottery products.

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FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$29,244,000	\$0	\$29,244,000	0.0	\$28,812,000	\$0	\$28,812,000	0.0

Expected Results:

Lottery retailers who are enthused about selling Lottery products, who treat players well, and who represent the Lottery in a positive manner. This activity also contributes to the revenue measure listed with the Administration activity.

Game Vendors

This activity includes contractual payments for services provided by online and scratch product vendors, such as game planning and analysis, new technologies, and communication terminals in 3500 retail outlets.

Statewide Result Area: Improve the ability of State Government to achieve its results efficiently and effectively

Category: State financial resources and services

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$11,948,000	\$0	\$11,948,000	0.0	\$14,085,000	\$0	\$14,085,000	0.0

Expected Results:

Lottery products (games) which are attractive and entertaining, and encrypted rapid wager processing systems that ensure high product integrity. This activity also contributes to the revenue measure listed with the Administration activity.

King County (Safeco Field) Statutory Payment

This activity remits the funds necessary for debt service payment on the bonds used to build Safeco Field.

Statewide Result Area: Improve the ability of State Government to achieve its results efficiently and effectively

Category: State financial resources and services

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$4,356,000	\$0	\$4,356,000	0.0	\$4,530,000	\$0	\$4,530,000	0.0

Expected Results:

Statutory obligation for debt service payments on bonds used to build Safeco field is met.

Marketing, Research, and Communications

The Marketing activity, through analysis, innovation, and design, captures the attention of new customers and maintains the involvement of our core customer base. The activity includes research, advertising, public relations, community events, sports sponsorship, promotions, winning numbers hotline, and the Lottery website.

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Statewide Result Area: Improve the ability of State Government to achieve its results efficiently and effectively

Category: State financial resources and services

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$9,880,000	\$0	\$9,880,000	17.0	\$9,960,000	\$0	\$9,960,000	17.0

Expected Results:

Lottery players who know about our products, who choose them because they are both entertaining and offer a societal payback, and who will continue to watch for new and fun opportunities from the Lottery. This activity also contributes to the revenue measure listed with the Administration activity.

Retailer Support

The Retailer support activity, through person-to-person customer contacts, is organized in six regions of the state. The activity assists both corporate accounts and independent retailers in licensing to operate, optimizing inventory, achieving high sales, securing product, and minimizing expenses. Retailer promotions, stand-alone ticket machines, and distribution of tickets to Lottery's retailers are all part of this activity.

Statewide Result Area: Improve the ability of State Government to achieve its results efficiently and effectively

Category: State financial resources and services

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$9,467,000	\$0	\$9,467,000	80.0	\$9,815,000	\$0	\$9,815,000	79.6

Expected Results:

Lottery retailers who are knowledgeable about our products, confident in selling them, adequately stocked at all times, and appreciate serving as partners with the Lottery in benefiting the state of Washington. This activity also contributes to the revenue measure listed with the Administration activity.

Compensation Cost Adjustment

This item reflects proposed compensation and benefit cost adjustments that were not allocated to individual agency activities. The agency will assign these costs to the proper activities after the budget is enacted.

Statewide Result Area: Improve the ability of State Government to achieve its results efficiently and effectively

Category: Human resources support for government agencies

FY 2006				FY 2007			
Total	GFS	Other	FTEs	Total	GFS	Other	FTEs
\$555,000	\$0	\$555,000	0.0	\$850,000	\$0	\$850,000	0.0